

EXHIBIT PP

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE)
ANTITRUST LITIGATION)
) No. 11-CV-2509-LHK
THIS DOCUMENT RELATES TO:)
ALL ACTIONS.)
_____)

CONFIDENTIAL - ATTORNEYS' EYES ONLY
VIDEO DEPOSITION OF JAN VAN DER VOORT
February 5, 2013

REPORTED BY: GINA V. CARBONE, CSR NO. 8249, RPR, CCRR

10:20:11 1 it's Nacasio.

10:20:17 2 Q. Can you tell me on the next page, which is
10:20:24 3 13721, it's titled 2008 Projected Growth. Can you tell
10:20:31 4 me how you -- well, did you prepare this page?

10:20:35 5 A. No.

10:20:36 6 Q. Did BZ prepare this page?

10:20:38 7 A. Yes.

10:20:39 8 Q. Do you know how she determined how many -- how
10:20:43 9 she determined the estimated hires for 2008?

10:20:49 10 A. Yes, I do know.

10:20:50 11 Q. Would you please tell me how she determined the
10:20:53 12 estimated hires for 2008?

10:20:58 13 A. She, after speaking with the heads of each of
10:21:02 14 the business units, determined what their hiring needs
10:21:05 15 were going to be, and that would be indicated by the
10:21:08 16 growth column. And these are estimated. Attrition was
10:21:14 17 basically a formulaic, this is what our turnover looks
10:21:18 18 likes so therefore we would expect to have approximately
10:21:21 19 this many people exiting the company for one reason or
10:21:23 20 another. And that gives you the total number of new
10:21:27 21 hires by division that would be anticipated.

10:21:33 22 Q. Do you know how close this projection came to
10:21:38 23 reality? Do you know whether the hires in 2008 were
10:21:42 24 approximately [REDACTED]?

10:21:43 25 A. Yes, they were.

10:21:58 1 Q. So I want to turn to the next page, 16657.

10:22:04 2 MR. HARRIS: I'm sorry, what was the Bates
10:22:05 3 number?

10:22:06 4 MS. LEEBOVE: I'm sorry, that was the LFL
10:22:08 5 number, it's LUCAS13722.

10:22:10 6 MR. HARRIS: Okay.

10:22:13 7 MS. LEEBOVE: Q. Actually, I'm looking at
10:22:14 8 that along with 13723.

10:22:18 9 Did you -- Ms. van der Voort, did you prepare
10:22:19 10 these two pages, 13722 and 13723?

10:22:23 11 A. No.

10:22:25 12 Q. Did BZ Petroff prepare them?

10:22:28 13 A. Yes.

10:22:29 14 Q. Do you know what this means on page 13722 where
10:22:32 15 it says for LEC, "Talent hard to find, 'passive'
10:22:36 16 candidates"?

10:22:37 17 A. Yes.

10:22:39 18 Q. What does that mean?

10:22:40 19 A. It means that people are -- the type of talent
10:22:44 20 we were looking for was hard to find. There was lots of
10:22:47 21 competition in the games industry, and that people were
10:22:51 22 not generally out actively looking for new employment.

10:22:56 23 Q. Is that what a passive candidate is?

10:22:59 24 A. That's what BZ meant when she referred to it
10:23:02 25 here.

10:23:03 1 Q. Someone who is not actively looking for
10:23:05 2 employment?

10:23:18 3 Do you know what the -- in the row for LAL it
10:23:23 4 says, "Easy to recruit junior talent/senior difficult."

10:23:26 5 Can you tell me what that means?

10:23:32 6 A. Pretty self-explanatory. The junior talent was
10:23:34 7 readily available. The senior talent was less readily
10:23:37 8 available in the area.

10:23:46 9 Q. LAS, I believe you mentioned, was the Singapore
10:23:51 10 operation?

10:23:51 11 A. Correct.

10:23:55 12 Q. For LFL/LECL, it also says, "Junior talent
10:24:00 13 easy/senior very difficult to find; lots of
10:24:04 14 competition."

10:24:06 15 What does that mean to you?

10:24:09 16 A. Pretty much the same thing as for animation.
10:24:13 17 Junior talent is easy. As in probably any industry I've
10:24:16 18 ever been involved in, senior talent is very hard to
10:24:19 19 find, so....

10:24:35 20 Q. On page 13723, did BZ Petroff prepare this
10:24:46 21 page?

10:24:46 22 A. Yes.

10:24:47 23 Q. Do you agree with her most difficult and least
10:24:52 24 difficult examples of positions to fill?

10:24:58 25 A. Well, I wasn't running the recruiting

10:25:02 1 organization, so this was BZ's take on what the hardest
10:25:06 2 jobs were that she was tasked with.

10:25:08 3 Q. Okay.

10:25:09 4 A. So generally, yes.

10:25:12 5 Q. Do you have any sense of where these types
10:25:14 6 of -- these are examples of positions to fill. I think
10:25:19 7 that on a previous page, on just the prior page, it
10:25:22 8 mentioned, for instance, for LEC, which I believe you
10:25:24 9 mentioned was Lucas Arts, the games division?

10:25:27 10 A. Correct.

10:25:29 11 Q. That talent is hard to find, candidates were
10:25:33 12 passive. Would that apply, do you believe, to senior
10:25:40 13 game engineers? That they were hard to find and passive
10:25:45 14 candidates?

10:25:46 15 A. Generally.

10:25:47 16 Q. Do you have any sense of where those passive
10:25:51 17 candidates -- the kinds of places where those passive
10:25:53 18 candidates would work?

10:25:55 19 MR. HARRIS: Objection. Calls for speculation.

10:25:59 20 MS. LEEBOVE: Q. You can answer if you are
10:26:00 21 able to.

10:26:01 22 Do you have any sense of where those folks
10:26:02 23 might work?

10:26:03 24 A. I would have to guess.

10:26:05 25 Q. Can you guess?

Jan van der Voort

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10:26:07 1 MR. HARRIS: Objection. Calls for speculation.

10:26:08 2 THE WITNESS: No.

10:26:13 3 MS. LEEBOVE: Q. Do you have any sense of

10:26:14 4 what type of companies game designers worked at

10:26:17 5 besides Lucas?

10:26:20 6 A. Can you repeat that question.

10:26:22 7 Q. Do you have any sense of which companies game

10:26:25 8 designers worked for?

10:26:28 9 A. Yes.

10:26:29 10 Q. Which companies were those? Or who would those

10:26:32 11 be?

10:26:34 12 A. Lots of game companies; Ubisoft, Electronic

10:26:39 13 Arts, Activision, Blizzard. Lots of smaller companies

10:26:46 14 as well.

10:26:46 15 Q. Do you know whether Lucas had agreements with

10:26:52 16 any of those companies not to recruit their employees?

10:26:55 17 A. I don't know as I sit here.

10:27:14 18 Q. Can you tell me where, if you have a sense,

10:27:17 19 where R&D engineers might have worked if they weren't

10:27:22 20 working at Lucas?

10:27:24 21 MR. HARRIS: Objection. Calls for speculation.

10:27:28 22 THE WITNESS: I don't know.

10:27:30 23 MS. LEEBOVE: Q. What are Python

10:27:37 24 programmers?

10:27:38 25 A. You are probably as familiar with programming

10:35:09 1 things that I mentioned earlier, such as trade fairs and
10:35:14 2 SIGGRAPH, S-I-G-G-R-A-P-H.

10:35:24 3 Q. Okay. I'm going to turn to the next page,
10:35:26 4 13725. The first bullet point says, "Lucasfilm
10:35:36 5 companies are at [REDACTED] of comp range for SF
10:35:40 6 Bay Area."

10:35:41 7 Do you know what that means?

10:35:42 8 A. Yes.

10:35:43 9 Q. What does that mean?

10:35:45 10 A. That overall, the compensation that we targeted
10:35:51 11 and achieved was at the [REDACTED] of the
10:36:00 12 market for -- of the Bay Area.

10:36:08 13 Q. You said "targeted and achieved"; does that
10:36:10 14 mean that nobody was outside of that range?

10:36:13 15 A. No. But generally that's where people fell.

10:36:19 16 Q. How did know where Lucas stood in terms of the
10:36:23 17 percentage of compensation? Was this based on surveys?

10:36:27 18 A. Yes.

10:36:33 19 Q. Which surveys?

10:36:35 20 A. The ones I referenced earlier.

10:36:37 21 Q. Croner, Radford?

10:36:39 22 A. Croner, Radford.

10:36:40 23 Q. Any others?

10:36:41 24 A. As I mentioned, I didn't have an exhaustive
10:36:44 25 list of names, but whatever they were.

10:36:52 1 Q. Okay. Turning to the next page. LUCAS13726.

10:37:04 2 No. 3 - Competition in the Bay Area. Is it your
10:37:07 3 understanding that this -- that competition in the
10:37:09 4 Bay Area refers to competition for employees?

10:37:12 5 A. Yes.

10:37:17 6 Q. Is this a page that you prepared or did
10:37:19 7 BZ Petroff prepare this page?

10:37:27 8 A. BZ.

10:37:27 9 Q. That second bullet point, it says, "Pixar,
10:37:33 10 IM Digital, PDI, Tippet," T-I-P-P-E-T-T, "Orphanage, EA
10:37:40 11 Redwood," is that Electronic Arts Redwood?

10:37:44 12 A. Redwood Shores, yeah.

10:37:46 13 Q. Redwood Shores.

10:37:49 14 Did you regard these employers as the chief
10:37:55 15 competitors for employees at the time?

10:37:57 16 A. They were among the competitors.

10:38:06 17 Q. Are there any other competitors for employees
10:38:10 18 that you would add to this list to make it complete?

10:38:13 19 MR. HARRIS: Objection. Calls for a narrative.
10:38:17 20 You could answer.

10:38:18 21 THE WITNESS: We actually recruit
10:38:21 22 internationally. So I couldn't even begin to put a
10:38:24 23 complete list of companies together that would be our
10:38:28 24 competition for employees.

10:38:31 25 MS. LEEBOVE: Q. Jumping down to the next

10:38:32 1 line it says, "Google, Yahoo, Silicon Valley, etc."

10:38:37 2 Do you regard those companies as competitors
10:38:40 3 for employees as well?

10:38:41 4 A. As I just said, yeah. We have a pretty broad
10:38:45 5 net that we cast, and they would fall in that.

10:38:56 6 Q. Do you know whether Lucas had agreements with
10:38:59 7 any of the companies listed on this page not to recruit
10:39:02 8 their employees or to limit recruiting in any way?

10:39:05 9 MR. HARRIS: Objection. Vague. Compound.

10:39:07 10 MS. LEEBOVE: Let me reask that question.

10:39:10 11 Q. Do you know whether Lucas had any agreements
10:39:11 12 with any of the companies listed on this page to limit
10:39:15 13 recruiting in any way?

10:39:18 14 MR. HARRIS: Objection. Vague.

10:39:27 15 MS. LEEBOVE: Q. Are you able to answer?

10:39:31 16 A. Can you restate the question.

10:39:35 17 Q. Do you know whether Lucas had an agreement with
10:39:38 18 Pixar to limit recruiting?

10:39:41 19 A. We had --

10:39:42 20 MR. HARRIS: Objection. Vague.

10:39:44 21 Go ahead.

10:39:47 22 THE WITNESS: We had a gentleman's agreement,
10:39:50 23 it wasn't an agreement if you want to think about
10:39:54 24 something official in writing, that limited contact from
10:39:59 25 HR and recruiting with Pixar. But it didn't limit us

10:40:02 1 from hiring each other's employees.

10:40:08 2 MS. LEEBOVE: Q. Do you know whether Lucas
10:40:09 3 had an agreement, any sort of agreement, with
10:40:11 4 IM Digital --

10:40:14 5 MR. HARRIS: Objection.

10:40:14 6 MS. LEEBOVE: Q. -- that would limit
10:40:16 7 recruiting employees?

10:40:18 8 MR. HARRIS: Objection. Vague.

10:40:26 9 THE WITNESS: There was something about
10:40:27 10 IM Digital that I became aware of that was ongoing when
10:40:31 11 I arrived. My understanding was more about IP, so I
10:40:41 12 can't really comment on that.

10:40:46 13 MS. LEEBOVE: Q. Did you understand there
10:40:47 14 to be an agreed limitation on recruiting between
10:40:49 15 Lucas and IM Digital?

10:40:52 16 A. No, I did not.

10:40:56 17 Q. Do you know whether there was any sort of
10:40:57 18 agreement limiting recruiting between Lucas and PDI?

10:41:02 19 A. Not that I know of.

10:41:07 20 Q. Do you know whether there was any sort of
10:41:09 21 agreement limiting recruiting between Lucas and Tippet?

10:41:14 22 A. Not that I know of.

10:41:15 23 Q. Do you know whether there was any sort of
10:41:17 24 agreement limiting recruiting between Lucas and the
10:41:19 25 Orphanage?

10:47:32 1 would have retention on a page like this and have that
10:47:36 2 bullet point on there, because it is expensive. If you
10:47:41 3 have excessive turnover, then you have higher recruiting
10:47:46 4 and training costs.

10:47:53 5 MS. LEEBOVE: Q. Did you believe that
10:47:54 6 Lucas had excessive turnover of employees?

10:47:56 7 MR. HARRIS: Objection. Vague.
10:48:00 8 Go ahead.

10:48:01 9 THE WITNESS: Not generally, no.

10:48:15 10 MS. LEEBOVE: Q. Did you create strategies
10:48:16 11 to keep people at Lucas? Especially those working
10:48:19 12 on company growth related projects?

10:48:24 13 MR. HARRIS: Objection. Compound. Vague.

10:48:30 14 THE WITNESS: I did not, no.

10:48:37 15 MS. LEEBOVE: Q. As you sit here today,
10:48:37 16 can you think of any strategies that would keep
10:48:41 17 people at Lucas while working on company
10:48:45 18 growth-related projects?

10:48:50 19 MR. HARRIS: Object to the form.

10:48:51 20 THE WITNESS: Not as I sit here today.

10:49:16 21 MS. LEEBOVE: Q. Would you turn, please,
10:49:22 22 to page 13734. This looks like another draft of the
10:49:31 23 page we just looked at, perhaps, or maybe you can
10:49:37 24 tell me what this is. The page we just looked at,
10:49:40 25 13728 says No. 5 - Retention. This page 13734 says

10:49:45 1 No. 4 - Retention, and lists some different points.

10:49:55 2 Do you know whether both of these pages were
10:49:57 3 part of your presentation to the board of directors in
10:49:59 4 October of 2007?

10:50:01 5 A. I don't recall.

10:50:10 6 Q. Page 13734 refers to, "Focus on retention of
10:50:13 7 key people." That's the third bullet point there.

10:50:16 8 Do you know which key people this bullet point
10:50:19 9 is referring to?

10:50:21 10 MR. HARRIS: Objection. Calls for speculation.

10:50:25 11 You can answer.

10:50:28 12 THE WITNESS: Key people isn't person specific.
10:50:31 13 It's a category of people who might be key to either a
10:50:34 14 specific project or a particular production. That's not
10:50:41 15 key people identified A, B, C, D, E.

10:50:46 16 MS. LEEBOVE: Q. Are there particular
10:50:47 17 categories of people who you consider key people in
10:50:49 18 the organization?

10:50:51 19 A. In general, creative people are considered key.
10:50:59 20 George is a creative person, that's his -- that's his
10:51:07 21 life, basically.

10:51:09 22 Q. Are you referring to George Lucas?

10:51:11 23 A. Yes.

10:51:19 24 Q. In your position as chief administrative
10:51:21 25 officer, do you have any -- where does George Lucas fall

10:51:26 1 in the organizational structure, vis-a-vis your
10:51:30 2 position? You don't -- let me strike that.

10:51:32 3 Do you report to George Lucas at all?

10:51:34 4 A. No.

10:51:36 5 Q. Do you interact with George Lucas in your work
10:51:39 6 as the chief administrative officer?

10:51:40 7 A. No.

10:51:49 8 Q. The second bullet point here says, "Recruiting
10:51:51 9 and training is very expensive, average cost to replace
10:51:54 10 an employee is [REDACTED] of annual comp."

10:51:59 11 Do you agree with that statement?

10:52:06 12 A. Generally, yes. And I'm qualifying it because
10:52:10 13 it depends on what the employee's role is and what type
10:52:14 14 of training is involved.

10:52:26 15 Q. Can you give me an example of an inexpensive
10:52:30 16 employee to replace?

10:52:32 17 A. An inexpensive?

10:52:34 18 Q. Well, this bullet point states that replacing
10:52:37 19 employees is expensive.

10:52:38 20 A. Right.

10:52:39 21 MR. HARRIS: Objection.

10:52:39 22 MS. LEEBOVE: Q. So I'm wondering if you
10:52:40 23 can tell me whether there are any employees who can
10:52:42 24 be replaced inexpensively.

10:52:44 25 MR. HARRIS: Objection. Misstates the

11:47:21 1 MR. HARRIS: Go ahead.

11:47:22 2 THE WITNESS: At the time of this email, I was
11:47:23 3 just learning about this. So it was all new to me.

11:47:27 4 MS. LEEBOVE: Q. When you received this
11:47:29 5 email, did you know about the gentleman's agreement
11:47:32 6 at all?

11:47:34 7 A. I don't honestly recall.

11:47:49 8 Q. And you emailed Sharon, "Can you make sure to
11:47:51 9 pass along Lori's contact info?"

11:47:56 10 You were asking -- is a reference to Lori
11:47:59 11 McAdams at Pixar?

11:47:59 12 A. Yes.

11:48:13 13 Q. So based on this message, is it your
11:48:15 14 understanding that an employee quit Pixar to come to
11:48:21 15 Lucas and the Lucas folks had not contacted Pixar about
11:48:25 16 that before it happened?

11:48:28 17 MR. HARRIS: Object to the form of the
11:48:29 18 question.

11:48:34 19 THE WITNESS: At the time of this email, all I
11:48:36 20 knew was exactly what was written on here.

11:48:38 21 MS. LEEBOVE: Q. Okay. It says, "Lori
11:48:45 22 says this one isn't a big deal, but she wants to
11:48:47 23 make sure the process is in place."

11:48:51 24 Do you know what process this email is
11:48:53 25 referring to? What the process is?

11:48:56 1 A. I did not at the time of the email, no.

11:49:12 2 Q. Do you know what the process is now?

11:49:15 3 MR. HARRIS: Object to the form of the
11:49:16 4 question.

11:49:17 5 MS. LEEBOVE: Q. At this -- you testified
11:49:19 6 that at the time of this email you didn't know what
11:49:21 7 the process is that Sharon Coker is referring to.
11:49:25 8 Now do you know what the process is that Sharon
11:49:28 9 Coker was referring to?

11:49:29 10 A. Yes.

11:49:30 11 Q. What was the process?

11:49:33 12 A. There was, again, a gentleman's agreement that
11:49:38 13 grew out of Lucasfilm's and Pixar's early relationship.
11:49:44 14 Pixar was actually part of Lucas at one point. And
11:49:50 15 George sold, and they retained a close working
11:49:57 16 relationship.

11:49:58 17 At the time in 2007 when I started, and even
11:50:00 18 through today, we work on a lot of things together. We
11:50:03 19 share technology. I believe Skywalker Sound does almost
11:50:08 20 all of Pixar's sound work for them.

11:50:11 21 And so there was a close relationship, even
11:50:15 22 though Pixar was not owned anymore by Lucasfilm. And
11:50:21 23 the gentleman's agreement grew out of, A, that
11:50:24 24 relationship, but also, my understanding, that there was
11:50:29 25 a desire on both companies' parts to make sure that

11:50:33 1 productions that we were involved in, work that we were
11:50:36 2 doing, whether together or separately, didn't get
11:50:39 3 compromised by key employees -- I use that term not in
11:50:42 4 the former reference, but somebody important to a
11:50:45 5 particular project -- would leave in the middle.

11:50:48 6 So the agreement, as I understood it, was that
11:50:53 7 HR and recruiting would not reach out proactively to
11:51:00 8 Pixar's employees, nor Pixar's to us, and that if a job
11:51:05 9 offer were to be made, then they would be -- whoever was
11:51:11 10 offering the job would notify the other company's
11:51:15 11 contact, whoever that contact person was.

11:51:20 12 Q. Was there any other element to the agreement
11:51:24 13 with Pixar besides the recruiting folks not proactively
11:51:29 14 contacting the other's employees? You mentioned if an
11:51:33 15 offer is made, whoever offered notified the other's
11:51:36 16 company. Was there any other component of that process?
11:51:40 17 Of the process that's referred to in this email?

11:51:43 18 MR. HARRIS: Object to the form.

11:51:48 19 THE WITNESS: My understanding was that the
11:51:51 20 offering company, in making the phone call, would not
11:51:55 21 reveal what the job offer was. And that the current
11:52:02 22 existing employer was free to make a job offer to try to
11:52:06 23 save the employee if they wanted to. If they felt like
11:52:09 24 it was appropriate. If that person and position were
11:52:12 25 important to whatever key production elements were going

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11:52:15 1 on at the time, that might make sense.

11:52:23 2 MS. LEEBOVE: Q. And Sharon's message
11:52:24 3 says, "I will make an introduction for Jan who will
11:52:28 4 be the point person for this in the future."

11:52:30 5 Is that why you were asking Sharon for Lori
11:52:32 6 McAdams' contact information?

11:52:33 7 A. Yes.

11:52:38 8 MS. LEEBOVE: Okay. We have -- let's see.
11:52:44 9 This will be 691.

11:52:58 10 (Whereupon, Exhibit 691 was marked for
11:52:58 11 identification.)

11:53:04 12 MS. LEEBOVE: We may want to mark a stack of
11:53:06 13 them. The next one will be 328.

11:53:18 14 (Discussion off the record.)

11:53:21 15 MS. LEEBOVE: Q. You have,
11:53:22 16 Ms. van der Voort, I think everybody has a copy of
11:53:23 17 it, Exhibit No. -- what's been marked as Exhibit
11:53:26 18 No. 691.

11:53:31 19 MR. HARRIS: Did you want to mark more and give
11:53:33 20 us all at once or -- it's your call, obviously.

11:53:37 21 MS. LEEBOVE: Yeah. I think -- well, we're
11:53:39 22 fine. We can do it this way.

11:53:41 23 MR. HARRIS: Okay.

11:53:43 24 MS. LEEBOVE: Q. So if you could take a
11:53:44 25 moment, Ms. van der Voort, and have a look at

11:53:46 1 Exhibit No. 691.

11:53:51 2 And do you recognize this document? Looks like
11:53:56 3 you were cc'd on the top email, 5:01 p.m. from Lynwen
11:54:01 4 Brennan to Sharon Coker and Cassandra Kaiser.

11:54:07 5 A. Yes, I do recognize it.

11:54:09 6 Q. And can you tell me what was happening here?
11:54:11 7 What this email is about?

11:54:13 8 MR. HARRIS: Objection. Document speaks for
11:54:14 9 itself. Vague.

11:54:21 10 THE WITNESS: Lynwen was responding to Sharon's
11:54:24 11 email asking Lynwen if she knew who the candidate was.
11:54:28 12 And Lynwen was simply saying we haven't hired one.

11:54:33 13 MS. LEEBOVE: Q. So this seems to -- this
11:54:41 14 is Coker 328.

11:54:56 15 Ms. van der Voort, you've been handed Exhibit
11:54:57 16 No. 328, and I'm focusing on that top message. And I
11:55:09 17 can tell you it looks to me like the folks at Lucas are
11:55:13 18 trying to figure out who this employee is that was
11:55:15 19 hired -- that Lucas hired away from Pixar.

11:55:21 20 Can you tell me what you believe is happening
11:55:22 21 in this email?

11:55:27 22 A. It looks to me like Sharon was trying to sort
11:55:30 23 it out and find out who it was and where they might be
11:55:34 24 working.

11:55:40 25 Q. And so the employee's name is [REDACTED].

12:10:09 1 A. Recruiting, when I started, was not reporting
12:10:13 2 into HR, it was reporting into two of the business
12:10:16 3 leaders.

12:10:17 4 Q. Who?

12:10:19 5 A. Jim Ward, who was in charge of Lucas Arts, and
12:10:22 6 Gail Currey, who was in charge of animation.

12:10:27 7 Q. And then what happened?

12:10:29 8 A. Then BZ started reporting to me.

12:10:56 9 MR. HARRIS: Counsel, it's 12:10, so I'm going
12:10:57 10 to suggest if you are done with this document that we
12:11:00 11 break for lunch.

12:11:01 12 MS. LEEBOVE: Sure. We can.

12:11:01 13 MR. HARRIS: Does that work?

12:11:02 14 MS. LEEBOVE: That works.

12:11:03 15 THE VIDEOGRAPHER: This is the end of video
12:11:04 16 No. 2. The time is 12:11 p.m. We're going off the
12:11:07 17 record.

01:05:32 18 (Recess taken.)

01:05:35 19 THE VIDEOGRAPHER: This is the beginning of
01:05:37 20 video No. 3 in the deposition of Jan van der Voort. The
01:05:40 21 time is 1:05 p.m. We're back on the record.

01:05:48 22 MS. LEEBOVE: Q. Do you have a copy -- did
01:05:50 23 we give you Exhibit 331 yet? I don't believe we
01:05:53 24 did.

01:06:00 25 A. I don't have 331.

01:06:19 1 Q. Ms. van der Voort, I've just handed you Exhibit
01:06:21 2 331. Appears to be an email or a couple of emails
01:06:26 3 between you and Sharon Coker with BZ Petroff included on
01:06:33 4 the most recent one at the top.

01:06:36 5 Let me know when you've had a moment to look at
01:06:38 6 it.

01:06:52 7 A. Okay.

01:06:52 8 Q. Can you tell me what you meant by, "BZ - let's
01:06:54 9 discuss so we make sure we don't slip."

01:06:58 10 MR. HARRIS: Objection. Lacks foundation.

01:07:04 11 You can answer.

01:07:05 12 THE WITNESS: As part of Sharon's email, the
01:07:07 13 parenthetical portion that you queried me about earlier,
01:07:14 14 things fell through the crack when we split HR and
01:07:17 15 recruiting, I'm not sure it ever came up between BZ and
01:07:20 16 me. And I'm now reading from Sharon's portion of the
01:07:22 17 email. This was an attempt on my part to get BZ looped
01:07:28 18 in, so whatever process there was in place, we all had a
01:07:31 19 common understanding of that.

01:07:33 20 MS. LEEBOVE: Q. And looped in
01:07:35 21 specifically to the gentleman's agreement with
01:07:37 22 Pixar?

01:07:40 23 A. Yes.

01:07:43 24 Q. You had mentioned before the break that I
01:07:45 25 believe you said you knew the most about recruiting

01:07:48 1 presently in the company within Lucas at this point in
01:07:51 2 time?

01:07:52 3 A. Yes, I did at this point in time.

01:07:54 4 Q. Are you the -- are you currently the head of
01:07:56 5 recruiting?

01:07:57 6 A. No.

01:08:00 7 Q. Who is currently the head of recruiting?

01:08:02 8 A. That position is open at the moment.

01:08:04 9 Q. Okay. How long has that position been open?

01:08:11 10 A. Since January 1st.

01:08:14 11 Q. Who held the position prior to January 1st?

01:08:17 12 A. Cortney Erin, C-O-R-T-N-E-Y, E-R-I-N.

01:08:25 13 Q. How long was Cortney Erin the -- was it -- is
01:08:31 14 it a she or a him -- she or a he?

01:08:34 15 A. It was a she, and still is a she.

01:08:36 16 Q. Good to know.

01:08:38 17 How long did -- was Cortney Erin the director
01:08:41 18 of recruiting? Was that the title? Or head of
01:08:43 19 recruiting?

01:08:44 20 A. She was, I believe, the senior director of
01:08:46 21 talent acquisition.

01:08:47 22 Q. How long was Cortney Erin the senior director
01:08:49 23 of talent acquisition?

01:08:52 24 A. About a year and a half.

01:08:57 25 Q. Had she come to Lucas in that role, or did

01:19:24 1 And this is going back to No. 328 where Sharon
01:19:28 2 Coker says, "Lori McAdams left me a message that one of
01:19:34 3 their PAs has given their resignation to come to ILM."

01:19:39 4 I'm just wondering if you....

01:19:45 5 A. And I think -- sorry, there is no question
01:19:46 6 pending.

01:19:48 7 Q. I'm wondering whether you can tell me whether,
01:19:50 8 in your opinion, should this information about [REDACTED]

[REDACTED] [REDACTED] have been conveyed to Lori McAdams under the
01:19:56 10 terms of the gentleman's agreement?

01:19:58 11 A. Well, again, I'm days into this, and I read
01:20:04 12 what Gail Currey said. It was a decision based on the
01:20:10 13 role of so low level, so evidently people with way more
01:20:13 14 experience in this than I did felt that a position like
01:20:16 15 this didn't really require a call.

01:20:22 16 Q. But then you also wrote in Exhibit 331, let's
01:20:26 17 make sure we don't slip. Let's discuss so we make sure
01:20:29 18 we don't slip. Did you, at that time, consider the
01:20:33 19 [REDACTED] incident a slip?

01:20:38 20 A. Well, I think if you look at the time stamps on
01:20:41 21 these various emails, my email about BZ making sure we
01:20:50 22 don't slip preceded the email from Gail Currey who said
01:20:55 23 she didn't think it was a big deal. And again, I would
01:20:58 24 repeat that I am a brand-new player in this whole little
01:21:01 25 party, so I'm learning as I go.

01:21:03 1 Q. So what did you learn from this incident?

01:21:08 2 A. Well, the beginnings of my learning about this
01:21:13 3 informal gentleman's agreement obviously, as I've
01:21:15 4 previously testified. And while generally there would
01:21:21 5 be phone calls made, sometimes there weren't.

01:21:29 6 Q. Did you learn from this incident that phone
01:21:31 7 calls should be made to Pixar when its employees were
01:21:35 8 offered positions with Lucas, regardless whether Lucas
01:21:38 9 considered the position low level or not?

01:21:43 10 A. I think that was the general intent, although
01:21:45 11 obviously it was not necessarily something that happened
01:21:49 12 all the time. Based on one single event that I was
01:21:54 13 aware of at the time.

01:22:19 14 Q. I believe this is the last document in this
01:22:20 15 chain, at least that I have to offer you. It's Exhibit
01:22:23 16 No. 330. It's already been marked.

01:22:28 17 It appears to be an email from you to Sharon
01:22:31 18 Coker dated Wednesday, April 18th at 1:22 a.m. which --
01:22:39 19 were you typically working at 1:22 a.m.?

01:22:45 20 A. Sadly, sometimes, yes.

01:22:55 21 Q. What did you mean here in this message by, "We
01:22:57 22 will coordinate with the recruiting staff"?

01:23:02 23 MR. HARRIS: Objection. Lacks foundation.

01:23:07 24 MS. LEEBOVE: Q. Did you write this email
01:23:08 25 message?

01:23:09 1 A. Yes, I did.

01:23:11 2 Q. What did you mean by, "We will coordinate with
01:23:13 3 the recruiting staff"?

01:23:17 4 A. I think the part of the sentence preceding that
01:23:19 5 is, "BZ is going to call Lori," meaning I was handing it
01:23:22 6 off to BZ to make sure she and Lori had contact with
01:23:26 7 each other, and that BZ would coordinate with the
01:23:31 8 recruiting staff on our side to make sure that whatever
01:23:36 9 understandings of the gentleman's agreement need to be
01:23:39 10 passed along were passed along.

01:23:44 11 Q. You also wrote, "I will get involved as
01:23:45 12 needed." What did you mean by that?

01:23:52 13 A. If things required my involvement, I would get
01:23:58 14 involved. But this was really handing it off to BZ.

01:24:01 15 Q. Okay. I have three documents for you. Okay.
01:24:37 16 The first is already marked as Exhibit 351.

01:24:45 17 694 and 695, please.

01:24:55 18 Sorry, 694 will be the one LUCAS00036222 and
01:24:59 19 Exhibit 695 will be the document that starts with the
01:25:03 20 Bates No. LUCAS00060611.

01:25:10 21 MR. HARRIS: So I've got 351 here, that's
01:25:13 22 LUCAS00048666.

01:25:15 23 MS. LEEBOVE: Correct.

01:25:16 24 MR. HARRIS: And now I've got Bates ending
01:25:19 25 36222; what's that?

01:38:19 1 itself.

01:38:20 2 What I was doing was following up on my
01:38:26 3 recollection that we had a gentleman's agreement with
01:38:28 4 Pixar at some point and asking BZ, who was then the
01:38:31 5 owner of that process, to clarify.

01:38:35 6 MS. LEEBOVE: Q. Okay. Who is [REDACTED]

[REDACTED] [REDACTED]?

01:38:43 8 A. She was an assistant in the recruiting
01:38:45 9 department at that time.

01:38:46 10 Q. Is she still there? Does she still work for
01:38:49 11 Lucas?

01:38:49 12 A. Yes, she does.

01:38:50 13 Q. Does she still -- does [REDACTED] still
01:38:54 14 work in the recruiting department?

01:38:56 15 A. No, she does not.

01:38:57 16 Q. What is her present job with Lucasfilm?

01:38:59 17 A. She is an executive assistant in Lucas Arts.

01:39:04 18 Q. Who is she an assistant to? Or is she just a
01:39:08 19 floating assistant?

01:39:10 20 A. A floating executive assistant. Yeah.

01:39:12 21 Q. Does [REDACTED] still work for the company?

01:39:14 22 A. No, she does not.

01:39:15 23 Q. Do you know where she works now?

01:39:17 24 A. No.

01:39:18 25 Q. What was her job at the time of this email?

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01:39:21 1 A. She was a recruiter.

01:39:22 2 Q. Okay. Ms. van der Voort, you will be handed,
01:39:53 3 at some point very soon, what we're marking as
01:39:56 4 Exhibits 696 and 697. 9702 is 696. This one is 697.

01:40:05 5 MR. HARRIS: I'm sorry, which is which?

01:40:06 6 MS. LEEBOVE: 696 is going to be the one ending
01:40:08 7 in 9702.

01:40:10 8 MR. HARRIS: 696.

01:40:11 9 MS. LEEBOVE: And 697 ends in 9707.

01:40:14 10 MR. HARRIS: Thank you.

01:40:15 11 (Whereupon, Exhibits 696 and 697 were marked
01:40:15 12 for identification.)

01:40:38 13 MS. LEEBOVE: Q. And Ms. van der Voort, if
01:40:39 14 you could let me know when you've had a chance to
01:40:42 15 review Exhibits 696 and 697.

01:41:29 16 A. Okay.

01:41:30 17 Q. I'm looking first at Exhibit 696. Can you tell
01:41:33 18 me what this document is?

01:41:36 19 A. This is an email from Gail Currey to me about
01:41:45 20 interest that many companies had in [REDACTED] -- I'm going to
01:41:49 21 murder her last name, [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED] That is close enough. [REDACTED]

01:42:02 24 Q. Okay. So this is the -- Exhibit 696 is an

01:42:07 25 email. Do you remember receiving this email from Gail

01:42:09 1 Currey?

01:42:10 2 A. I don't remember. I don't remember.

01:42:13 3 Q. So who was [REDACTED] [REDACTED]

[REDACTED] [REDACTED] was a recruiter supporting the
01:42:23 5 animation group.

01:42:33 6 Q. So it appears here, then, that -- is Gail

01:42:39 7 Currey writing to you with a cc to Mich Chau to tell you
01:42:44 8 that Lori McAdams has called to inquire about [REDACTED]?

01:42:49 9 A. Yes.

01:42:50 10 Q. Do you know -- do you know what sort of
01:42:55 11 opportunities Lori McAdams had in mind for [REDACTED] at
01:43:00 12 Pixar?

01:43:00 13 A. I have no idea.

01:43:07 14 Q. Do you have any idea what the salary range
01:43:13 15 might have been for any -- for the opportunity at Pixar?

01:43:20 16 A. No idea.

01:43:34 17 Q. Who's Gloria? It says, "We know that Gloria is
01:43:37 18 after [REDACTED]"

01:43:38 19 A. I believe this refers to Gloria Borders.

01:43:42 20 Q. Who is Gloria Borders?

01:43:44 21 A. She was a former Lucasfilm employee, I don't
01:43:46 22 know exactly her capacity, and she was working for
01:43:49 23 somebody else. I don't even know who it was.

01:43:52 24 Q. And it says, "Certainly Sharon would take her
01:43:56 25 in a heartbeat."

01:43:58 1 Is that Sharon -- do you believe that's a
01:44:02 2 reference to Sharon Coker?

01:44:04 3 A. That was my belief, yes.

01:44:12 4 Q. Do you have any idea what the job title was
01:44:16 5 that Lori McAdams wanted to talk to [REDACTED] about?

01:44:21 6 A. No.

01:44:21 7 MR. HARRIS: Objection. Calls for speculation.
01:44:24 8 Lacks foundation.

01:44:27 9 Go ahead.

01:44:27 10 THE WITNESS: No idea whatsoever.

01:44:37 11 MS. LEEBOVE: Q. Do you know -- and do you
01:44:40 12 know whether Lori McAdams conveyed any salary
01:44:44 13 information at all to Gail Currey --

01:44:49 14 A. I have no idea.

01:44:49 15 Q. -- when she called to ask about [REDACTED]

01:44:51 16 A. I have no idea.

01:44:58 17 Q. Do you know where Sharon Coker worked at the
01:45:00 18 time of this email on August 20th, 2007?

01:45:04 19 A. I believe she was with IM Digital.

01:45:10 20 Q. That was the Sony Zemeckis company, do you
01:45:16 21 know? IM Digital?

01:45:19 22 A. I think it was the Disney company.

01:45:22 23 Q. Okay. So if we turn to Exhibit 697, we have
01:45:36 24 the second in time email is the one we just read on
01:45:40 25 Exhibit 696. And then there is an email from you to

01:45:47 1 Gail Currey cc'd to Mich Chau at the top of Exhibit 697.

01:45:51 2 Do you see that?

01:45:52 3 A. Yes.

01:45:53 4 Q. Did you write that email message?

01:45:55 5 A. Yes, I did.

01:46:01 6 Q. You refer, in your message, to a comp

01:46:05 7 adjustment. In the parentheses "with comp adjustment,

01:46:08 8 perhaps."

01:46:10 9 If you can take a look at this and just in the

01:46:11 10 context of this email, can you tell me whether you meant

01:46:13 11 a comp adjustment up or down?

01:46:19 12 A. I would have meant a comp adjustment up, if

01:46:21 13 appropriate. I think the context was that we wanted to

01:46:27 14 keep [REDACTED] interested and continue to expand her career,

01:46:36 15 and perhaps additional responsibilities would make

01:46:38 16 sense. And if that happened, then perhaps a

01:46:41 17 compensation adjustment would be appropriate.

01:46:45 18 Q. And the reason for either expanding her role or

01:46:52 19 giving her a comp adjustment would be, I believe you

01:46:57 20 just mentioned, to keep her working at Lucas?

01:46:59 21 A. Yes. And to keep her motivated and continue to

01:47:02 22 grow with us. She was supporting one of the divisions

01:47:06 23 that was growing at the time, and she was a key part of

01:47:07 24 that.

01:47:18 25 Q. Just backing up to the prior message you hadn't

01:47:20 1 received, when you wrote here, "Maybe we should get more
01:47:23 2 proactive - keep her involved, but in an expanded role
01:47:25 3 (with comp adjustment, perhaps)."

01:47:27 4 When you wrote that, you didn't know anything
01:47:31 5 about the potential salary offer that Lori McAdams might
01:47:38 6 have made for Pixar, correct?

01:47:40 7 A. If any. Or about any of the other ones, no.
01:47:45 8 Nothing whatsoever.

01:47:46 9 Q. Okay. Does [REDACTED] still work for Lucas?

01:47:55 10 A. No, she does not.

01:47:57 11 Q. And what were the circumstances surrounding her
01:47:59 12 departure?

01:48:01 13 A. She accepted another job, and I cannot remember
01:48:05 14 exactly who she went to directly. I don't think she's
01:48:08 15 with them any longer.

01:48:13 16 Q. Did she -- she didn't move to Pixar?

01:48:16 17 A. No. Not as far as I know.

01:48:27 18 Q. Do you know whether [REDACTED] knew that Lori McAdams
01:48:29 19 was interested in her?

01:48:30 20 A. I don't know.

01:48:36 21 Q. But pursuant to the gentleman's agreement, Lori
01:48:38 22 McAdams was not allowed to call [REDACTED] directly; is that
01:48:42 23 correct?

01:48:46 24 A. Yes, pursuant to the gentleman's agreement.

01:48:47 25 But [REDACTED] was a very savvy recruiter and a pretty hot

01:48:54 1 commodity if you will say -- call it that, just based on
01:48:57 2 the level of interest that was expressed that we knew
01:48:59 3 about. Who knows what she knew about.

01:49:06 4 Q. Did Mich Chau have anything to say about your
01:49:09 5 email message on August 20th of 2007 -- well, did she
01:49:11 6 say anything to you about your email message of August
01:49:14 7 20th, 2007?

01:49:15 8 A. Not that I recall.

01:49:44 9 Q. All right. I believe I am going to hand you --
01:49:46 10 or the court reporter may hand you what will be marked
01:49:49 11 Exhibit No. 698.

01:50:08 12 (Whereupon, Exhibit 698 was marked for
01:50:08 13 identification.)

01:50:16 14 MS. LEEBOVE: Q. So Ms. van der Voort,
01:50:17 15 you've been handed Exhibit No. 698. It's a document
01:50:20 16 that -- the first page, anyway, is LUCAS00064138.

01:50:24 17 A. Hang on. I still have extra copies of this.
01:50:27 18 Is it just a two-page document?

01:50:31 19 Q. Yes. Front and back on the first page.

01:50:34 20 MR. HARRIS: Does everyone have a copy?

01:50:41 21 MS. HENN: I have a three-page document.

01:50:44 22 MS. LEEBOVE: 64138?

01:50:47 23 MS. HENN: It's three pages.

01:50:48 24 MR. HARRIS: Goes to 4140?

01:50:51 25 MS. LEEBOVE: Yes.

Jan van der Voort

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

02:16:27 1 alerting me to the fact that one of their employees had
02:16:29 2 gotten a call from an outside recruiter who was
02:16:33 3 allegedly representing Lucasfilm in a search.

02:16:42 4 Q. Was the recruiter actually representing Lucas
02:16:46 5 in a search?

02:16:49 6 A. I don't believe so.

02:16:53 7 Q. I can tell you that from my review of the
02:16:55 8 documents, it looks like he -- the recruiter may have
02:16:59 9 taken some liberty about representing Lucas as his or
02:17:04 10 her client.

02:17:06 11 But in any case, it appears that it prompted
02:17:09 12 Lori McAdams to call you to ensure that the two
02:17:12 13 companies were still on the same page about the
02:17:15 14 gentleman's agreement. Does that appear to be what
02:17:19 15 happened to you?

02:17:23 16 MR. HARRIS: Objection. Mischaracterizes the
02:17:25 17 document. Vague.

02:17:32 18 THE WITNESS: I'm not even clear what document
02:17:33 19 I'm looking at right now.

02:17:35 20 MS. LEEBOVE: Q. So I'm looking at
02:17:36 21 No. 700.

02:17:37 22 A. Okay.

02:17:38 23 Q. Just those few sentences at the top where it
02:17:40 24 says, "To close the loop, I spoke with Jan van der
02:17:42 25 Voort, the VP of HR at LFL who said she was in fact

02:17:46 1 aware of the understanding and very apologetic about
02:17:50 2 this recruiter. She'll get on it and make sure any
02:17:53 3 outside recruiters are aware."

02:18:02 4 Does that sound like a fair summary of your
02:18:05 5 conversation with Lori McAdams?

02:18:06 6 A. To the best of my recollection, yes.

02:18:25 7 Q. If you could look to -- if you would look at
02:18:28 8 Exhibit 701, please.

02:18:46 9 A. Okay.

02:18:48 10 Q. Do you recognize this document?

02:18:55 11 A. Yes, I do.

02:18:59 12 Q. Does this top email message on Exhibit 701 look
02:19:04 13 like an email message that you sent to BZ Petroff on
02:19:07 14 Saturday, December 1st?

02:19:11 15 A. Yes.

02:19:16 16 Q. Do you know how -- or what BZ Petroff did in
02:19:19 17 response to your message?

02:19:22 18 MR. HARRIS: Objection. Vague.

02:19:27 19 MS. LEEBOVE: Q. Do you know whether BZ
02:19:29 20 Petroff tracked down the appropriate people and made
02:19:31 21 sure any agencies Lucas worked with were aware of
02:19:33 22 the policy about soliciting Pixar?

02:19:38 23 A. I believe that she did.

02:19:48 24 Q. And BZ worked for you, correct?

02:19:51 25 A. Correct.

02:19:55 1 Q. Was she generally pretty good about following
02:19:57 2 instructions?

02:19:58 3 A. Yes.

02:20:12 4 Q. I'm looking at Exhibit 702. I just want to
02:20:15 5 confirm, if you could, that that is an email that you
02:20:19 6 sent to Lori McAdams.

02:20:21 7 MR. HARRIS: Which email?

02:20:23 8 MS. LEEBOVE: Q. The most recent in time
02:20:25 9 at the top of the page, Saturday, December 1st,
02:20:27 10 2007, 12:23 a.m. Did you speak to Lori McAdams on
02:20:36 11 around December 1st of 2007?

02:20:45 12 A. I think in the prior email, it was on Friday,
02:20:48 13 November 30th that we spoke.

02:20:51 14 Q. I see that. It looks like you were up late on
02:20:54 15 Friday night working?

02:20:57 16 A. There is a theme here.

02:21:03 17 Q. Do you remember -- do you remember speaking
02:21:04 18 with Lori McAdams on, perhaps, Friday, November 30th
02:21:10 19 or -- probably Friday, November 30th?

02:21:12 20 MR. HARRIS: Objection. Asked and answered.
02:21:19 21 You can answer.

02:21:20 22 THE WITNESS: Yeah. I vaguely remember it.
02:21:23 23 Obviously there was a lot going on. I was working at
02:21:27 24 12:23 a.m.

02:21:31 25 MS. LEEBOVE: Q. Do you remember what you

02:21:32 1 discussed with Lori?

02:21:35 2 MR. HARRIS: Objection. Asked and answered.

02:21:50 3 MS. LEEBOVE: Q. Do you remember

02:21:51 4 discussing the gentleman's agreement with Lori

02:21:53 5 McAdams around November 30th or December 1st of

02:21:56 6 2007?

02:21:59 7 A. I know we talked specifically about the, quote,

02:22:02 8 unquote, gentleman's agreement. To the best of my

02:22:04 9 recollection, she just made me aware that one of her

02:22:09 10 people had been contacted by a search firm purporting to

02:22:14 11 be doing work for us. And I had sort of -- first of

02:22:18 12 all, didn't know we had a search firm doing work for us.

02:22:21 13 Second of all, wanted to find out about it.

02:22:30 14 Q. I have just one question for you about

02:22:31 15 Exhibit 703, if you could turn to that one. And my

02:22:36 16 question is, who is Rob Levine? If you know.

02:22:40 17 A. Let me just look at this document first.

02:22:42 18 Q. Sure.

02:23:03 19 A. Rob Levine was a recruiter for us.

02:23:22 20 Q. And if we look at Exhibit 704, do you recognize

02:23:30 21 this as an email from BZ Petroff to you on December 4th

02:23:36 22 of 2007? Well, the most recent in time? Do you

02:23:41 23 recognize the email that is most recent in time as an

02:23:44 24 email from BZ Petroff to you dated December 4th, 2007?

02:23:49 25 A. Yes.

02:36:14 1 are going to be multiple conversations about various
02:36:17 2 components of staying in any company, and they will --
02:36:21 3 the components will evolve. But at the end of the day,
02:36:24 4 you reach the point where you say here's what the
02:36:27 5 package is going to look like if you stay.

02:36:36 6 Q. And can you offer someone multiple packages to
02:36:40 7 choose from if they stay, or is there one offer that
02:36:44 8 they can choose if they wish to stay?

02:36:46 9 MR. HARRIS: Objection. Vague. Compound.
02:36:52 10 Answer if you can.

02:36:58 11 THE WITNESS: I'm trying to make sense of it.
02:37:00 12 I'm not having any luck.

02:37:02 13 MR. HARRIS: You can have it read back if you
02:37:04 14 want.

02:37:05 15 THE WITNESS: Yeah. Please, read it back.

02:37:22 16 (Record read as follows: And can you offer
02:37:22 17 someone multiple packages to choose from if
02:37:22 18 they stay, or is there one offer that they can
02:37:22 19 choose if they wish to stay?)

02:37:28 20 THE WITNESS: The reason I'm confused is it's
02:37:30 21 never actually come up, to my knowledge. So I'm having
02:37:36 22 a hard time imagining a scenario under which you would
02:37:39 23 say well you could take door B, C or whatever. Normally
02:37:42 24 you are going to think about whatever is best for the
02:37:44 25 company and the individual combined, and that's what you

02:37:47 1 are going to offer them. You are not going to offer
02:37:49 2 them a smorgasbord of opportunities.

02:37:56 3 MS. LEEBOVE: Q. Are you familiar with the
02:37:57 4 term "bidding war"?

02:37:59 5 A. I've heard it.

02:38:00 6 Q. What do you think it means?

02:38:05 7 A. I think it's -- whether it's in recruiting or
02:38:10 8 any other business, where there is a back and forth sort
02:38:22 9 of tick, tick, tick, tick, back and forth exchange of
02:38:24 10 discussions about money, whether it's compensation or
02:38:29 11 price on a product or price for a product, competitive
02:38:33 12 television program, for example.

02:38:38 13 Q. Did the gentleman's agreement between Lucas and
02:38:41 14 Pixar prevent the two companies from engaging in bidding
02:38:44 15 wars over employees?

02:38:52 16 A. It did not prevent counteroffers, because those
02:38:57 17 were made. If it made sense, either by Pixar or by
02:39:02 18 Lucasfilm, whoever was the current employer of the
02:39:06 19 individual.

02:39:12 20 What it did not allow was to continue to go
02:39:15 21 back and forth, which actually put the pressure rather
02:39:20 22 more on both companies to put their very best offer out
02:39:24 23 there.

02:39:25 24 Q. Okay. So if you -- if Lucas made its save
02:39:30 25 offer and the candidate decides not to take it, under

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02:39:34 1 the terms of the agreement, would Lucas get to make a
02:39:38 2 new and improved save offer?

02:39:41 3 A. Not once they made the offer, no.

02:39:43 4 Q. Okay. If you could look, please, at the page
02:39:51 5 of Exhibit No. 129 that is -- at the bottom there is a
02:39:57 6 handwritten note it says 129.2, page 00002263.

02:40:04 7 Have you taken a moment to familiarize yourself
02:40:11 8 with the document?

02:40:15 9 A. Yes.

02:40:17 10 Q. Is this the document that Lori McAdams -- well,
02:40:25 11 Lori McAdams sent you this document, correct?

02:40:29 12 A. Yes.

02:40:32 13 Q. And to the best of your knowledge, does this
02:40:38 14 document set forth the complete gentleman's agreement
02:40:41 15 between Lucas and Pixar?

02:40:46 16 A. Let me review it, please, again.

02:40:48 17 Q. Please do.

02:41:19 18 A. Yes, I think generally that sums it up.

02:41:21 19 Q. Is there anything that you would -- you said
02:41:23 20 generally sums it up. Is there anything that you would
02:41:24 21 add that isn't here that would make the agreement
02:41:32 22 complete?

02:41:38 23 MR. HARRIS: Object to the form.

02:42:19 24 THE WITNESS: I can't think of anything I would
02:42:21 25 add.

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02:42:22 1 MS. LEEBOVE: Okay. Will you mark this
02:42:30 2 Exhibit 706.

02:42:32 3 (Whereupon, Exhibit 706 was marked for
02:42:32 4 identification.)

02:42:47 5 MS. LEEBOVE: Q. Ms. van der Voort, you've
02:42:47 6 been handed Exhibit 706. Can you confirm that
02:43:00 7 that's a copy of an email message you sent to BZ
02:43:03 8 Petroff on Wednesday, December 12th?

02:43:07 9 A. Yes.

02:43:08 10 Q. I'm sorry, did you say yes?

02:43:10 11 A. Yes.

02:43:11 12 Q. And this document doesn't have the attachment,
02:43:16 13 but am I correct to presume that you were sending to BZ
02:43:24 14 the complete email that Lori McAdams had sent to you
02:43:26 15 that included the written version of the agreement?

02:43:31 16 Had you meant to forward on Lori McAdams'
02:43:34 17 written agreement to BZ Petroff?

02:43:37 18 A. That was the intent, yes.

02:43:44 19 Q. Did you -- who did you suspect that BZ Petroff
02:43:47 20 might distribute the agreement to?

02:43:51 21 A. Well, she supervised the recruiting team, so
02:43:54 22 anybody that she felt might need to be aware.

02:44:03 23 Q. Do you know whether BZ Petroff circulated or
02:44:07 24 distributed the gentleman's agreement to her recruiting
02:44:11 25 team?

02:44:14 1 A. I'm not sure that this is the gentleman's
02:44:16 2 agreement, per se. This is Lori McAdams' version of
02:44:20 3 what she believed it to be.

02:44:24 4 Q. Did you tell me that you thought this was an
02:44:28 5 accurate -- well, we can go back to that question, then.

02:44:32 6 Do you believe this is an accurate statement of
02:44:33 7 what the agreement was between Lucas and Pixar?

02:44:39 8 MR. HARRIS: Object to the form.

02:44:43 9 MS. LEEBOVE: Q. Do you believe that
02:44:43 10 Exhibit 129 sets forth an accurate statement of the
02:44:51 11 Lucas/Pixar gentleman's agreement?

02:44:54 12 A. Yes, as far as I know.

02:45:04 13 Q. And do you know whether BZ Petroff distributed
02:45:08 14 it to the recruiting team?

02:45:10 15 A. I do not.

02:46:14 16 MS. LEEBOVE: I believe we're at 707.

02:46:17 17 (Whereupon, Exhibit 707 was marked for
02:46:17 18 identification.)

02:46:18 19 MS. LEEBOVE: Q. You've been handed
02:46:19 20 Exhibit 707. This document was produced by Pixar in
02:46:22 21 the litigation, the Bates number is PIX00004106.

02:46:30 22 MR. HARRIS: It is?

02:46:32 23 MS. LEEBOVE: Is it not?

02:46:33 24 MR. HARRIS: I have 00004147.

02:46:37 25 THE WITNESS: I have 4106. You got the wrong

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02:46:41 1 one.

02:47:22 2 MS. LEEBOVE: Q. No particular reason to
02:47:25 3 suspect you've seen this document before, but have
02:47:26 4 you seen this document before?

02:47:27 5 A. No.

02:47:28 6 Q. Do you recall receiving a message from Lori
02:47:31 7 McAdams around March 5th of 2008 regarding Pixar hiring
02:47:39 8 [REDACTED]?

02:47:50 9 A. No.

02:48:04 10 Q. Do you have any reason to believe that Lori
02:48:06 11 McAdams didn't contact you about [REDACTED]?

02:48:13 12 A. No.

02:48:15 13 Q. I have a question about the second paragraph of
02:48:17 14 the top email, Lori McAdams writes to Robin McDonald in
02:48:22 15 her organization. "I get the sense that Jan is pretty
02:48:24 16 far removed from the operations, so I'm not sure how
02:48:29 17 long it'll take before Vanessa Hall or [REDACTED] manager
02:48:37 18 hears anything from Jan."

02:48:39 19 Do you have any idea of what she's talking
02:48:41 20 about?

02:48:42 21 MR. HARRIS: Objection. Calls for speculation.

02:48:44 22 MS. LEEBOVE: Q. Do you know?

02:49:00 23 A. I have no idea.

02:49:04 24 Q. Okay. Do you have any idea what [REDACTED]

[REDACTED] job was at Lucas?

02:54:33 1 (Whereupon, Exhibit 708 was marked for
02:54:33 2 identification.)

02:54:41 3 MS. LEEBOVE: Q. If you could take a
02:54:41 4 moment to read that and then hold your thought
02:54:45 5 because I want to ask you a question about something
02:54:47 6 else first.

02:55:16 7 A. Okay.

02:55:17 8 Q. So the question that I have that relates to our
02:55:20 9 prior discussion was whether -- are you aware of any --
02:55:25 10 scratch that.

02:55:25 11 Are you aware of any limitations on the
02:55:28 12 Lucas/Pixar agreement in terms of geography?

02:55:32 13 MR. HARRIS: Object to the form.

02:55:34 14 MS. LEEBOVE: Q. So did the agreement
02:55:36 15 limit recruiting only with respect to employees in a
02:55:38 16 particular location or did it apply to employees
02:55:42 17 company-wide?

02:55:43 18 MR. HARRIS: Object to the form. Compound.

02:55:47 19 MS. LEEBOVE: Q. You ought to answer if
02:55:49 20 you are able.

02:55:53 21 A. I'm not aware of any restrictions.

02:55:56 22 Q. Okay. By geography?

02:55:59 23 A. By geography, yes. Thank you for the
02:56:02 24 clarification.

02:56:03 25 Q. Are you aware of any restrictions by job

02:56:05 1 category?

02:56:06 2 A. Well, let me amend that. We're not talking
02:56:08 3 about Singapore.

02:56:11 4 Q. We're not talking about Singapore. Let's talk
02:56:12 5 about in the United States. Are you aware of any
02:56:14 6 restrictions or any limitations to the Lucas/Pixar
02:56:18 7 gentleman's agreement? Any geographical restrictions on
02:56:23 8 the Lucas/Pixar gentleman's agreement, at least insofar
02:56:24 9 as that agreement governed the United States?

02:56:28 10 A. Not that I'm aware of.

02:56:29 11 Q. Are you aware of any limitations on the Lucas
02:56:32 12 Pixar agreement in terms of job type or job category?

02:56:37 13 A. Not that I'm aware of.

02:56:41 14 Q. Okay. All right. On to Exhibit 708, which is
02:56:53 15 the document that contains a couple of different emails.
02:56:56 16 The first one, the most recent in time, appears to be
02:57:00 17 from Mich Chau to Lynwen Brennan, Vicki Dobbs, and to
02:57:08 18 you sent Friday, July 18th, 2008, regarding Lightstream
02:57:13 19 Animation Studios.

02:57:14 20 (Reporter clarification.)

02:57:15 21 MS. LEEBOVE: Q. The subject is,
02:57:15 22 "Lightstream Animation Studios: Call for Talent."

02:57:19 23 Do you recognize this as an email Mich Chau
02:57:25 24 sent to you around July 18th, 2008?

02:57:29 25 A. Yes.

02:57:34 1 Q. Who is Lightstream Animation Studios?

02:57:40 2 A. I'm not terribly familiar with them, but they
02:57:42 3 were a startup animation studio, as their name would
02:57:49 4 imply. And they were obviously looking for the type of
02:57:54 5 talent that they listed under the following positions.

02:57:58 6 Q. Is it your understanding that Lightstream is a
02:58:01 7 Bay Area company?

02:58:03 8 A. I don't know where their base was, but based on
02:58:06 9 this email I learned that they were setting up some sort
02:58:10 10 of studio in Petaluma.

02:58:14 11 Q. Okay. Lynwen Brennan wrote to Mich Chau, Vicki
02:58:29 12 Dobbs, and to you on Thursday, July 17th. "It would
02:58:33 13 seem from this mail that they're looking to grow a
02:58:36 14 little more than 20 at their Petaluma location. Do you
02:58:39 15 think we should try and set up a similar deal with them
02:58:42 16 that we have with IMD and Pixar re competing for talent?
02:58:46 17 I think it would make sense as they know exactly who to
02:58:49 18 go for."

02:58:50 19 We see here that Mich Chau responded to Lynwen
02:58:53 20 Brennan. Do you know whether you responded to Lynwen
02:58:55 21 Brennan?

02:58:56 22 A. I don't believe I did.

02:58:58 23 Q. Did you think that it would -- that Lucas
02:59:02 24 should have tried to set up a similar deal with
02:59:05 25 Lightstream Animation?

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02:59:06 1 A. I honestly don't recall.

02:59:12 2 Q. Do you know whether Lucas did set up a similar
02:59:16 3 deal with Lightstream Animation Studios that it had with
02:59:20 4 IMD and Pixar?

02:59:22 5 A. Not that I'm aware of. No.

02:59:28 6 Q. Did you agree with Mich Chau that Lucas should
02:59:33 7 do as Lynwen suggested and set up a similar deal with
02:59:40 8 Lightstream as Lucas had with IMD and Pixar?

02:59:50 9 MR. HARRIS: Object to the form.

03:00:04 10 You can answer.

03:00:11 11 THE WITNESS: I, as I recall, wasn't all that
03:00:14 12 concerned with a studio with only 20 people in it, that
03:00:17 13 that was going to be a significant impact on our ability
03:00:23 14 to recruit. Particularly given the IP and the type of
03:00:27 15 work that Lucasfilm gets in the door.

03:00:40 16 MS. LEEBOVE: Q. What would a similar deal
03:00:42 17 with Lightstream Animation Studios have
03:00:44 18 accomplished?

03:00:46 19 MR. HARRIS: Objection. Calls for speculation.

03:01:13 20 MS. LEEBOVE: Q. I'm waiting for your
03:01:14 21 answer.

03:01:15 22 A. I have no idea what was in Lynwen's mind.

03:01:21 23 Q. Do you have any independent notion about what
03:01:27 24 setting up a similar deal with Lightyear (sic) would
03:01:30 25 have accomplished?

03:01:33 1 MR. HARRIS: Object to the form.

03:01:35 2 THE WITNESS: Well, again, I don't know what
03:01:36 3 Lynwen had in mind, what specifics she was thinking of,
03:01:39 4 and I don't recall further conversation on it.

03:01:53 5 MS. LEEBOVE: Q. Did you weigh in at all
03:01:54 6 on Lynwen Brennan's question in her July 17th email?

03:02:00 7 A. Not that I recall.

03:02:15 8 Q. What do you understand that the purpose of a
03:02:19 9 restriction on recruiting -- or what do you understand
03:02:23 10 was the purpose served by agreed restrictions on
03:02:26 11 recruiting between companies?

03:02:28 12 MR. HARRIS: Objection. Vague.

03:02:35 13 THE WITNESS: Can you be specific about what
03:02:37 14 restrictions?

03:02:38 15 MS. LEEBOVE: Q. Well, in this particular
03:02:41 16 email, Lynwen Brennan is referring to the agreement
03:02:45 17 with Pixar, and we've talked about that. You
03:02:49 18 understand what the gentleman's agreement involved,
03:02:51 19 correct?

03:02:52 20 A. Correct.

03:02:52 21 Q. And so what do you think the purpose of that
03:02:54 22 agreement was?

03:02:57 23 MR. HARRIS: Objection. Calls for a narrative.
03:03:00 24 Vague.

03:03:05 25 THE WITNESS: Well, as I discussed, seems like

03:03:09 1 a long time ago but it was only this morning, we talked
03:03:13 2 about the genesis of the agreement as I understood it,
03:03:16 3 and the genesis of Pixar, how it came to be an
03:03:20 4 independent company, and the fact that the two companies
03:03:23 5 were still very much in some ways partners and worked
03:03:30 6 collaboratively on a lot of projects together.

03:03:34 7 Again, Sky Sound did a lot of Pixar's sound
03:03:38 8 work, and it was to our mutual advantage to keep the
03:03:42 9 productions of both companies flowing in a timely and
03:03:49 10 production-deadline-driven manner. So that's that
03:03:55 11 relationship as I described it and the logic behind the
03:04:03 12 gentleman's agreement.

03:04:05 13 MS. LEEBOVE: Q. But Lucas' agreement with
03:04:09 14 Pixar involved more than just the employees at Sky
03:04:11 15 Sound, correct?

03:04:13 16 A. Yes.

03:04:17 17 Q. And involved more than just the employees who
03:04:19 18 were directly working on projects together, correct?

03:04:23 19 A. Correct. It is important to note, I think,
03:04:28 20 that Lucasfilm's business was actually more varied than
03:04:34 21 Pixar's business was. So you had Skywalker Sound and
03:04:40 22 Lucas Arts, which was a games company, ILM, which was
03:04:43 23 special effects, animation distribution and licensing.
03:04:48 24 So a lot of pieces of business that were not directly in
03:04:53 25 the animation space.

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03:05:00 1 Q. But the employees in both companies whose work
03:05:06 2 wasn't in the animation space were nonetheless covered
03:05:09 3 by the companies' gentleman's agreement, correct?

03:05:13 4 A. That is my understanding, yes.

03:05:33 5 MR. HARRIS: How are you doing?

03:05:34 6 THE WITNESS: I just drank a lot of water.

03:05:36 7 MR. HARRIS: Do you want a break?

03:05:37 8 THE WITNESS: Can we, please, soon.

03:05:40 9 MR. HARRIS: I think it's been about an hour.

03:05:42 10 MS. LEEBOVE: If you would like a break, that's
03:05:44 11 fine.

03:05:44 12 THE VIDEOGRAPHER: This is the end of video
03:05:45 13 No. 4. The time is 3:05 p.m. we're going off the
03:05:48 14 record.

03:05:49 15 (Recess taken.)

03:16:01 16 THE VIDEOGRAPHER: This is the beginning of
03:16:03 17 video No. 5 in the deposition of Jan van der Voort. The
03:16:06 18 time is 3:16 p.m. We're back on the record.

03:16:31 19 MS. LEEBOVE: Q. Ms. van der Voort, we
03:16:31 20 just left off with a document that -- or an email
03:16:39 21 that Mich Chau sent to Lynwen Brennan and Vickie
03:16:44 22 Dobbs as well as to you where she says, "Wow. I
03:16:47 23 think we should do as you suggested."

03:16:48 24 I'm referring to Exhibit No. 708. She appears
03:16:54 25 to be suggesting that Lucas should set up a deal with

03:17:01 1 Lightstream similar to the one with IMD and Pixar. At
03:17:06 2 some point did it -- I'm assuming that -- well, you can
03:17:09 3 tell me -- at some point after the date of that message,
03:17:13 4 Friday, July 18th, 2008, did you come to understand that
03:17:19 5 Lucas was being investigated by the Department of
03:17:20 6 Justice for antitrust violations?

03:17:25 7 MR. HARRIS: Objection to the extent your
03:17:27 8 question mischaracterizes the testimony -- or the
03:17:30 9 document and lacks foundation. And I would also caution
03:17:33 10 the witness, as I have previously, in answering this
03:17:37 11 question, any information that you learned from an
03:17:40 12 attorney, either inside or outside would be privileged,
03:17:42 13 so don't reveal those communications. But if you can
03:17:46 14 answer the question apart from those communications, you
03:17:49 15 can answer the question.

03:17:55 16 THE WITNESS: Can you repeat the question,
03:17:56 17 please.

03:17:58 18 MS. LEEBOVE: Q. I can ask a new question
03:18:01 19 that may be the same as the old question, which was,
03:18:04 20 did you become aware, at some time after July 2008,
03:18:09 21 that the Department of Justice had begun to
03:18:12 22 investigate Lucas for antitrust violations?

03:18:15 23 MR. HARRIS: Same caution. Same objection.

03:18:24 24 THE WITNESS: Outside of any discussion with
03:18:26 25 counsel, no.

04:22:53 1 Structure." What is that?

04:23:02 2 MR. HARRIS: Object to the form.

04:23:22 3 MS. LEEBOVE: Q. Is that an excerpt from
04:23:25 4 Lucasfilm's 2011 U.S. salary structure?

04:23:28 5 A. Yes, it is.

04:23:29 6 Q. Does the entire salary structure exist
04:23:32 7 somewhere?

04:23:34 8 A. Yes.

04:23:36 9 MR. HARRIS: Object to the form.

04:23:42 10 MS. LEEBOVE: Q. Does Lucas create a U.S.
04:23:45 11 salary structure each year?

04:23:50 12 A. We review salaries each year, and this
04:23:55 13 particular document or excerpt called salary structure
04:24:00 14 is a list of the salary grades which go 1 through -- I'm
04:24:05 15 not sure what the top grade is, as I sit here.
04:24:10 16 Sometimes the structure moves from one year to another,
04:24:13 17 sometimes it doesn't.

04:24:16 18 Q. When you say moves, do you mean that the
04:24:19 19 compensation figures change?

04:24:22 20 A. Well, to be clear, these aren't compensation
04:24:25 21 figures. These are salary ranges for different grades.

04:24:29 22 Q. Okay. What does that mean, salary ranges for
04:24:33 23 different grades?

04:24:34 24 A. Well, if you look at the faintly highlighted
04:24:40 25 grade 17, it shows that for grade 17, the minimum salary

04:24:45 1 is [REDACTED] based on the salary structure for that year,
04:24:53 2 the midpoint is [REDACTED], and the maximum in that range for
04:25:00 3 that year would be [REDACTED].

04:25:08 4 Q. Are these salary figures specific to Lucas or
04:25:11 5 is this based on market data?

04:25:14 6 A. These are specific to Lucas.

04:25:23 7 Q. How are salary grades and salary ranges
04:25:27 8 determined?

04:25:28 9 MR. HARRIS: Objection. Compound.

04:25:39 10 You can answer.

04:25:41 11 THE WITNESS: It really is a two-part question.
04:25:45 12 Salary grades, which is the column on the far left-hand
04:25:49 13 side of that little excerpt, are -- grades are
04:25:54 14 determined based on a job analysis that Michelle Maupin
04:26:01 15 or someone in the compensation area would do that looks
04:26:05 16 at various questions about level of responsibility and
04:26:11 17 level of independent action, et cetera, contribution to
04:26:14 18 the company. And that determines where a particular job
04:26:20 19 would fall for a salary grade perspective.

04:26:25 20 Structure, which are the dollars associated
04:26:27 21 with each grade, are determined based on, first of all,
04:26:33 22 what we are willing to pay for roles in that general
04:26:40 23 jobs salary range, and also by looking at the survey
04:26:43 24 data that we've talked about multiple times before.

04:26:49 25 MS. LEEBOVE: Q. Do the salary grades

04:26:56 1 apply across the company?

04:27:02 2 A. Yes.

04:27:04 3 Q. And so just to clarify, there is one set of
04:27:07 4 salary grades that would apply and every employee of
04:27:13 5 Lucasfilm with fall into that salary grade?

04:27:17 6 MR. HARRIS: Objection. Mischaracterizes
04:27:17 7 testimony. Vague.

04:27:21 8 You can answer.

04:27:22 9 THE WITNESS: Within the U.S., this structure
04:27:23 10 would apply to all jobs except the executive level, and
04:27:31 11 those jobs aren't graded.

04:27:39 12 MS. LEEBOVE: Q. Is it fair to say, then,
04:27:40 13 that every job within Lucasfilm, with the exception
04:27:47 14 of executive level jobs, have a corresponding salary
04:27:52 15 grade?

04:27:52 16 MR. HARRIS: Objection. Mischaracterizes
04:27:54 17 testimony.

04:28:01 18 You can answer.

04:28:02 19 THE WITNESS: Yes. With the exception of new
04:28:03 20 jobs or, you know, jobs that are just being developed.
04:28:07 21 Every job is assigned a salary grade.

04:28:11 22 MS. LEEBOVE: Q. And by "new jobs" just
04:28:13 23 now, did you mean newly created jobs that haven't
04:28:16 24 yet been assigned a salary grade?

04:28:17 25 A. Correct. Or jobs that may have changed

04:28:19 1 significantly in scope either to be greater in scope or
04:28:22 2 lesser in scope.

04:28:25 3 Q. How many salary grades are there? We see here
04:28:27 4 14 through 20.

04:28:29 5 A. Well, I just testified that they go 1
04:28:33 6 through -- not sure whether it's, you know, 25, 26, 27.
04:28:36 7 Something like that.

04:28:42 8 Q. Do both salaried and hourly employees have a
04:28:46 9 salary grade?

04:28:48 10 A. Same structure applies to both salaried and
04:28:51 11 hourly employees.

04:28:57 12 Q. For hourly employees, would the minimum and
04:29:02 13 maximum figures that appear on the salary structure,
04:29:07 14 would that appear as an annual figure or would it appear
04:29:10 15 as an hourly figure? Would the minimum be X dollars per
04:29:13 16 hour or would it be an annual --

04:29:18 17 A. The same --

04:29:19 18 MR. HARRIS: Objection to the form of the
04:29:20 19 question. Compound. Vague.

04:29:23 20 You can answer.

04:29:24 21 THE WITNESS: The same structure applies, and
04:29:27 22 it appears as an annualized salary for hourly employees.

04:29:37 23 MS. LEEBOVE: Q. How frequently are jobs
04:29:40 24 assessed for grading purposes -- scratch that.

04:29:42 25 How frequently are salary grades evaluated?

04:29:52 1 MR. HARRIS: Objection. Vague.

04:29:59 2 THE WITNESS: We look at survey data,
04:30:05 3 competitive survey data, each year. And if we find that
04:30:08 4 there are some jobs that, based on the market data,
04:30:15 5 don't seem to make sense with our salary structure, we
04:30:19 6 would look at those.

04:30:23 7 MS. LEEBOVE: Q. Can you give me an
04:30:24 8 example of a job that wouldn't seem to make sense
04:30:26 9 with the salary structure that you would evaluate?

04:30:32 10 A. Well, it's interesting. This particular email
04:30:36 11 talks about a job that we may have misclassified. There
04:30:42 12 is no market data for a stereoscopic supervisor that we
04:30:46 13 were aware of. So in a situation like that, we have to
04:30:50 14 take our best guess at what we think the job might pay.
04:30:56 15 And that's what we did here. So in this particular
04:30:59 16 case, the suggestion was perhaps we should think about
04:31:01 17 changing the grade to a [REDACTED].

04:31:25 18 Q. And so it looks like at a certain point here,
04:31:31 19 initially the emails involve folks -- Kim Diaz, Megan
04:31:39 20 Mowery, Sarah McArthur, you can read the names here as
04:31:42 21 well as I can, but then at a certain point the matter
04:31:45 22 was brought to your attention and to Michelle Maupin's
04:31:48 23 attention and to Steve Condiotti's attention by Amber
04:31:52 24 Remaley.

04:32:04 25 Whose job is it to make a final decision on the

04:36:01 1 entire animation group in the U.S. And this would take

04:36:06 2 [REDACTED].

04:36:13 3 So yeah, you could just sort of say we're going
04:36:16 4 to pay [REDACTED], you could do something about the grade,
04:36:22 5 but the third leg of that stool is really what you have
04:36:25 6 to deal with from a compensation perspective, and that's
04:36:27 7 something that Lucas is very conservative about. You
04:36:35 8 get a pot of money, and to the degree you pay a chunk of
04:36:39 9 that pot to this person or that person, the pot is
04:36:43 10 reduced and there is less available for other people.

04:36:57 11 Q. I want to ask you more about what you just
04:36:59 12 said, but backing up a moment you said that one of the
04:37:02 13 reasons why you wouldn't want to pay a salary [REDACTED]
04:37:06 14 position a salary [REDACTED] salary is because Lucas
04:37:13 15 didn't want its salary structure to become inflated; is
04:37:18 16 that correct? I'm just wondering what that means.

04:37:22 17 MR. HARRIS: I'll object to the extent that
04:37:24 18 misstates the prior testimony.

04:37:26 19 THE WITNESS: What I said was we don't want to
04:37:29 20 inflate the salary structure, which means we don't want
04:37:31 21 to just automatically, with no good reason, inflate
04:37:34 22 salaries for precisely the reason I just talked about.
04:37:37 23 We don't have the money to do it.

04:37:39 24 So I think my answer was, from a practical
04:37:42 25 standpoint, no, there is no reason why you couldn't pay

04:37:45 1 [REDACTED]. From a financial
04:37:51 2 standpoint, you want to make sure that that's something
04:37:52 3 you really want to spend your money on. And from a
04:37:57 4 technical standpoint, [REDACTED] is still within this salary
04:38:02 5 grade [REDACTED], so it's not -- there is nothing wrong with it.
04:38:10 6 It's really -- what is the right grade for that job
04:38:14 7 based on what we know about market data. And as I said,
04:38:19 8 we weren't able to find much market data on this one
04:38:22 9 evidently. And then what can you afford.

04:38:28 10 MS. LEEBOVE: Q. Are you familiar at all
04:38:30 11 with the term "internal equity"?

04:38:32 12 A. Yes.

04:38:33 13 Q. What does that mean to you?

04:38:37 14 A. It means generally that you are aware of where
04:38:41 15 similarly situated employees are from a compensation
04:38:45 16 perspective, either within their division or across the
04:38:48 17 company depending on what you are looking at.

04:38:51 18 Q. Is internal equity a consideration in setting
04:38:55 19 salary grades?

04:38:57 20 A. It is a consideration, yes.

04:39:00 21 Q. How is it -- how is it a consideration? How do
04:39:03 22 you use it as a consideration in setting salary grades?

04:39:08 23 A. Well, you would look at, again, similarly
04:39:15 24 situated people. And to the degree that their skills
04:39:21 25 and experience and everything else about them are

04:39:24 1 similar, and they're in the same grade, they're going to
04:39:27 2 be in the same salary range, generally. And when I talk
04:39:32 3 about salary range, I'm talking about they'll generally
04:39:36 4 be somewhere between the minimum, the midpoint, and the
04:39:38 5 maximum.

04:39:40 6 So that's a fairly wide spread. If you look at
04:39:46 7 grade [REDACTED], for example, it could go from a minimum of [REDACTED]
[REDACTED] and change.

04:40:06 9 Q. So you just mentioned the -- we just talked a
04:40:09 10 little bit about internal equity in the context of one
04:40:13 11 salary grade. Does internal equity play any role in
04:40:18 12 terms of differentiating between salary grades?

04:40:28 13 A. I'm really unclear on what you mean by that.

04:40:33 14 Q. So -- and of course I have your testimony right
04:40:38 15 in front of me, which I wish I didn't, but I believe you
04:40:40 16 testified, and I'll -- and do correct me if I'm wrong,
04:40:48 17 that internal equity, that one factor of internal equity
04:40:51 18 is whether people in a particular salary grade who are
04:40:55 19 doing similar work are compensated similarly. Does
04:40:59 20 that -- is that fair?

04:41:01 21 MR. HARRIS: I'll object to the extent that
04:41:03 22 misstates prior testimony.

04:41:05 23 THE WITNESS: Well, I think I then went on to
04:41:06 24 say that the -- by similar, I mean somewhere within the
04:41:12 25 salary structure range that I just talked about. So as

04:41:17 1 I was just quoting, [REDACTED] is the range for grade
04:41:20 2 [REDACTED], and generally speaking, you would see people in that
04:41:25 3 range. There may be exceptions to it, but generally
04:41:27 4 speaking, that's what you would be looking at.

04:41:36 5 MS. LEEBOVE: Q. And so moving away from
04:41:38 6 this salary structure, does Lucasfilm employ
04:41:43 7 janitors?

04:41:45 8 A. No.

04:41:46 9 Q. Do they employ any sort of -- is there a
04:41:51 10 cleaning crew? Is there a kitchen staff? Are there --
04:41:58 11 are there secretaries?

04:42:00 12 MR. HARRIS: Object to the form of the
04:42:01 13 question.

04:42:01 14 MS. LEEBOVE: Q. Okay. Does Lucasfilm
04:42:04 15 employ administrative assistants?

04:42:06 16 A. Yes.

04:42:07 17 Q. What salary grade does an administrative
04:42:10 18 assistant fall into?

04:42:12 19 MR. HARRIS: Objection. Calls for speculation.
04:42:17 20 If you know, you can answer.

04:42:19 21 THE WITNESS: There are different levels of
04:42:22 22 administrative assistants, so they would fall into
04:42:25 23 different levels. And I can't tell you, as I sit here,
04:42:27 24 exactly what grades, various levels, administrative
04:42:30 25 assistants would fall into.

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15 In witness whereof, I have hereunto set my
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